

# Democracy

## CASE STUDY: Latin American Democracies

### MAIN IDEA

**ECONOMICS** In Latin America, economic problems and authoritarian rule delayed democracy.

### WHY IT MATTERS NOW

By the mid-1990s, almost all Latin American nations had democratic governments.

### TERMS & NAMES

- Brasília
- land reform
- standard of living
- recession
- PRI

**SETTING THE STAGE** By definition, democracy is government by the people. Direct democracy, in which all citizens meet to pass laws, is not practical for nations. Therefore, democratic nations developed indirect democracies, or republics, in which citizens elect representatives to make laws for them. For example, the United States is a republic. But democracy is more than a form of government. It is also a way of life and an ideal goal. A democratic way of life includes practices such as free and open elections.

## Democracy As a Goal

The chart below lists four practices in a democracy, together with conditions that help these democratic practices succeed. Many nations follow these practices to a large degree. However, establishing democracy is a process that takes years.

Even in the United States, the establishment of democracy has taken time. Although the principle of equality is part of the Constitution, many Americans have struggled for equal rights. To cite one example, women did not receive the right to vote until 1920. Democracy is always a “work in progress.”

### TAKING NOTES

**Summarizing** Use a chart to sum up the steps Brazil, Mexico, and Argentina have taken toward democracy.

Making Democracy Work	
Common Practices	Conditions That Foster Those Practices
• Free elections	<ul style="list-style-type: none"> <li>• Having more than one political party</li> <li>• Universal suffrage—all adult citizens can vote</li> </ul>
• Citizen participation	<ul style="list-style-type: none"> <li>• High levels of education and literacy</li> <li>• Economic security</li> <li>• Freedoms of speech, press, and assembly</li> </ul>
• Majority rule, minority rights	<ul style="list-style-type: none"> <li>• All citizens equal before the law</li> <li>• Shared national identity</li> <li>• Protection of such individual rights as freedom of religion</li> <li>• Representatives elected by citizens to carry out their will</li> </ul>
• Constitutional government	<ul style="list-style-type: none"> <li>• Clear body of traditions and laws on which government is based</li> <li>• Widespread education about how government works</li> <li>• National acceptance of majority decisions</li> <li>• Shared belief that no one is above the law</li> </ul>

Nation	Steps toward democracy
Brazil	
Mexico	
Argentina	

Democratic institutions may not ensure stable, civilian government if other conditions are not present. The participation of a nation's citizens in government is essential to democracy. Education and literacy—the ability to read and write—give citizens the tools they need to make political decisions. Also, a stable economy with a strong middle class and opportunities for advancement helps democracy. It does so by giving citizens a stake in the future of their nation. **A**

Other conditions advance democracy. First, a firm belief in the rights of the individual promotes the fair and equal treatment of citizens. Second, rule by law helps prevent leaders from abusing power without fear of punishment. Third, a sense of national identity helps encourage citizens to work together for the good of the nation.

The struggle to establish democracy continued into the 21st century as many nations abandoned authoritarian rule for democratic institutions. However, a United Nations study released in July 2002 warned that the spread of democracy around the world could be derailed if free elections in poor countries are not followed by economic growth. The UN Development Program's annual report warned particularly about Latin America.

#### MAIN IDEA

#### Making Inferences

**A** Why would democracy suffer if citizens didn't participate?

### CASE STUDY: Brazil

## Dictators and Democracy

Many Latin American nations won their independence from Spain and Portugal in the early 1800s. However, three centuries of colonial rule left many problems. These included powerful militaries, economies that were too dependent on a single crop, and large gaps between rich and poor. These patterns persisted in the modern era.

After gaining independence from Portugal in 1822, Brazil became a monarchy. This lasted until 1889, when Brazilians established a republican government, which a wealthy elite controlled. Then, in the 1930s, Getulio Vargas became dictator. Vargas suppressed political opposition. At the same time, however, he promoted economic growth and helped turn Brazil into a modern industrial nation.

**Kubitschek's Ambitious Program** After Vargas, three popularly elected presidents tried to steer Brazil toward democracy. Juscelino Kubitschek (zhoo•suh•LEE•nuh KOO•bih•chehk), who governed from 1956 to 1961, continued to develop Brazil's economy. Kubitschek encouraged foreign investment to help pay for development projects. He built a new capital city, **Brasília** (bru•ZIHL•yuh), in the country's interior. Kubitschek's dream proved expensive. The nation's foreign debt soared and inflation shot up.

Kubitschek's successors proposed reforms to ease economic and social problems. Conservatives resisted this strongly. They especially opposed the plan for **land reform**—breaking up large estates and distributing that land to peasants. In 1964, with the blessing of wealthy Brazilians, the army seized power in a military coup. **B**

#### MAIN IDEA

#### Analyzing Motives

**B** Why might the wealthy have preferred military rule to land reform?

**Military Dictators** For two decades military dictators ruled Brazil. Emphasizing economic growth, the generals fostered foreign investment. They began huge development projects in the Amazon jungle. The economy boomed.

The boom had a downside, though. The government froze wages and cut back on social programs. This caused a decline in the **standard of living**, or level of material comfort, which is judged by the amount of goods people have. When Brazilians protested, the government imposed censorship. It also jailed, tortured, and sometimes killed government critics. Nevertheless, opposition to military rule continued to grow.

**The Road to Democracy** By the early 1980s, a **recession**, or slowdown in the economy, gripped Brazil. At that point, the generals decided to open up the political system. They allowed direct elections of local, state, and national officials.



## Latin America, 2003

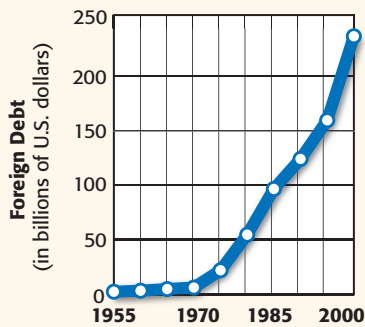


### GEOGRAPHY SKILLBUILDER: Interpreting Maps

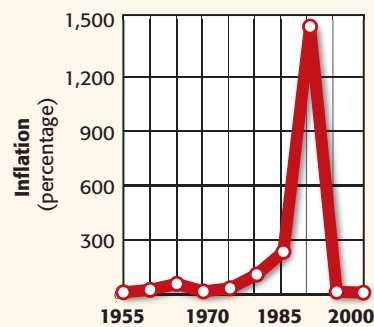
- 1. Location** Which country—Argentina, Brazil, or Mexico—spans the equator?
- 2. Region** Which one of the three countries has a coast on the Caribbean Sea?

## Brazilian Economy, 1955–2000

Debt



Inflation



Source: *The Brazilian Economy: Growth and Development*

### SKILLBUILDER: Interpreting Graphs

- Clarifying** By how much did Brazil's foreign debt increase from 1955 to 2000?
- Comparing** Of the years shown on the line graph, which was the worst year for inflation?

In 1985, a new civilian president, José Sarney (zhoh•ZAY SAHR•nay), took office. Sarney inherited a country in crisis because of foreign debt and inflation. He proved unable to solve the country's problems and lost support. The next elected president fared even worse. He resigned because of corruption charges. **C**

In 1994 and again in 1998, Brazilians elected Fernando Henrique Cardoso, who achieved some success in tackling the nation's economic and political problems. Although trained as a Marxist scholar, Cardoso became a strong advocate of free markets. One of his main concerns was the widening income gap in Brazil. He embarked on a program to promote economic reform.

**The 2002 Presidential Election** In the presidential election of October 2002, Cardoso's handpicked successor to lead his centrist coalition was José Serra. Serra faced two candidates who proposed a sharp break with Cardoso's pro-business policies. These candidates included Luiz Inácio Lula da Silva, a candidate of the leftist Workers Party.

An economic crisis hit many countries in South America, including Brazil, in 2002. Because of stalled economic growth, rising unemployment, and poverty, there was a backlash against free-market economic policies. This made the election of 2002 a close contest. Da Silva, the leftist candidate, won the hotly disputed election, defeating the ruling party candidate, Serra. Da Silva has proved a more moderate president than his supporters and opponents had expected. Although Brazil faces many challenges, it continues on the path of democracy.

### MAIN IDEA

#### Analyzing Issues

**C** In your opinion, which of the problems faced by Sarney was worse? Explain.

## CASE STUDY: Mexico

### One-Party Rule

Unlike Brazil, Mexico enjoyed relative political stability for most of the 20th century. Following the Mexican Revolution, the government passed the Constitution of 1917. The new constitution outlined a democracy and promised reforms.

**Beginnings of One-Party Domination** From 1920 to 1934, Mexico elected several generals as president. However, these men did not rule as military dictators. They did create a ruling party—the National Revolutionary Party, which dominated Mexico under various names for the rest of the 20th century.



From 1934 to 1940, President Lázaro Cárdenas (KAHR•day•nahs) tried to improve life for peasants and workers. He carried out land reform and promoted labor rights. He nationalized the Mexican oil industry, kicking out foreign oil companies and creating a state-run oil industry. After Cárdenas, however, a series of more conservative presidents turned away from reform.

**The Party Becomes the PRI** In 1946, the main political party changed its name to the Institutional Revolutionary Party, or **PRI**. In the half-century that followed, the PRI became the main force for political stability in Mexico.

Although stable, the government was an imperfect democracy. The PRI controlled the congress and won every presidential election. The government allowed opposition parties to compete, but fraud and corruption tainted the elections.

Even as the Mexican economy rapidly developed, Mexico continued to suffer severe economic problems. Lacking land and jobs, millions of Mexicans struggled for survival. In addition, a huge foreign debt forced the government to spend money on interest payments. Two episodes highlighted Mexico's growing difficulties. In the late 1960s, students and workers began calling for economic and political change. On October 2, 1968, protesters gathered at the site of an ancient Aztec market in Mexico City. Soldiers hidden in the ruins opened fire on the protesters. The massacre claimed several hundred lives.

A second critical episode occurred during the early 1980s. By that time, huge new oil and natural gas reserves had been discovered in Mexico. The economy had become dependent on oil and gas exports. In 1981, world oil prices fell, cutting Mexico's oil and gas revenues in half. Mexico went into an economic decline. **D**

**Economic and Political Crises** The 1980s and 1990s saw Mexico facing various crises. In 1988, opposition parties challenged the PRI in national elections. The PRI candidate, Carlos Salinas, won the presidency. Even so, opposition parties won seats in the congress and began to force a gradual opening of the political system.

#### MAIN IDEA

#### Recognizing Effects

**D** Why does over-reliance on one product weaken an economy?

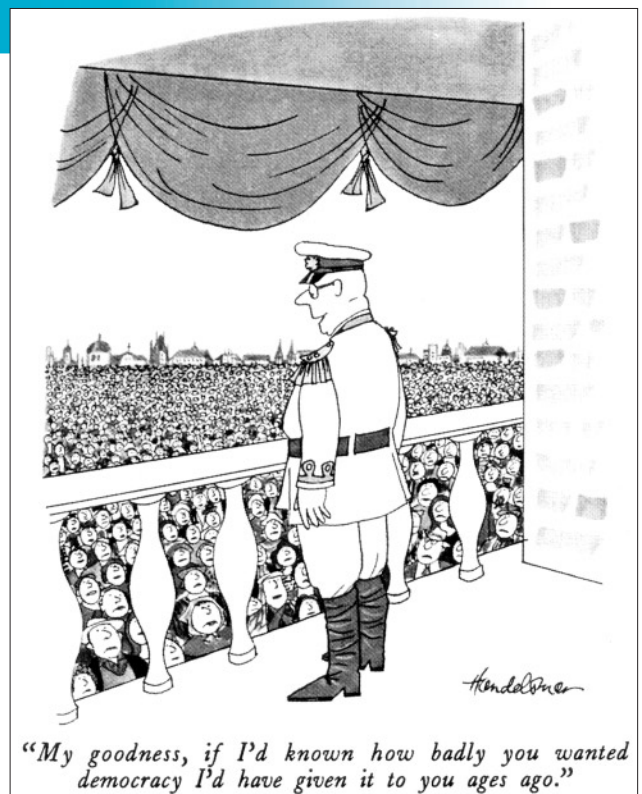
### > Analyzing Political Cartoons

#### Military Rule and Democracy

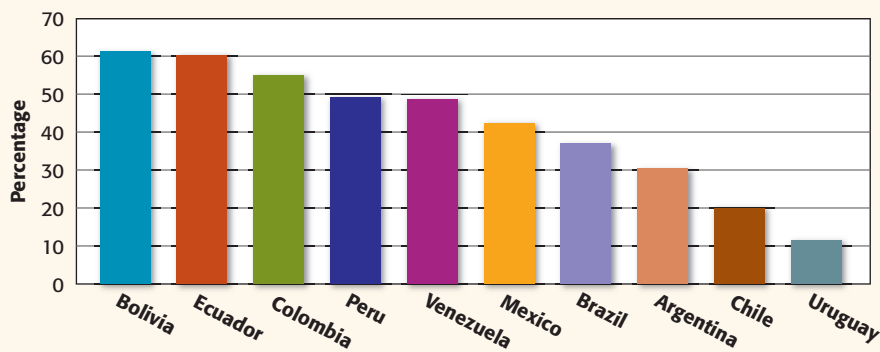
Throughout the 20th century, many Latin American countries were ruled by military dictators or political bosses. Most typically, the dictator's support came from the wealthy and the military. But sometimes the dictator's support came from the people.

#### SKILLBUILDER: Interpreting Visual Sources

- 1. Drawing Conclusions** Do dictators typically take into account the opinions of the people they rule?
- 2. Making Inferences** What does this cartoon suggest about the dictator's attitude toward the opinion of the people he rules?



### Population Living in Poverty, 2001



Source: *Social Panorama of Latin America, 2001–2002*

#### SKILLBUILDER: Interpreting Graphs

- 1. Comparing** In which three countries of Latin America is the percentage of people living in poverty the lowest?
- 2. Comparing** In which three countries is the poverty rate highest?

During his presidency, Salinas signed NAFTA, the North American Free Trade Agreement. NAFTA removed trade barriers between Mexico, the United States, and Canada. In early 1994, peasant rebels in the southern Mexican state of Chiapas (chee•AH•pahs) staged a major uprising. Shortly afterward, a gunman assassinated Luis Donaldo Colosio, the PRI presidential candidate for the upcoming election.

**The PRI Loses Control** After these events, Mexicans grew increasingly concerned about the prospects for democratic stability. Nevertheless, the elections of 1994 went ahead. The new PRI candidate, Ernesto Zedillo (zuh•DEE•yoh), won. Opposition parties continued to challenge the PRI.

In 1997, two opposition parties each won a large number of congressional seats, denying the PRI control of congress. Then, in 2000, Mexican voters ended 71 years of PRI rule by electing center-right candidate Vicente Fox as president.

**New Policies and Programs** Fox's agenda was very ambitious. He advocated reforming the police, rooting out political corruption, ending the rebellion in Chiapas, and opening up Mexico's economy to free-market forces.

Fox also argued that the United States should legalize the status of millions of illegal Mexican immigrant workers. Fox hoped that a negotiated agreement between the United States and Mexico would provide amnesty for these undocumented Mexican workers in the United States. In the wake of the terrorist attacks of September 11, 2001, any such agreement appeared remote. However, in 2002, Fox created a cabinet-level agency to lobby for the interests of Mexico's 22 million citizens who lived abroad, a great many of whom lived in the United States. In the meantime, Mexico's democracy continued to strengthen.



▲ President  
Vicente Fox  
of Mexico

#### CASE STUDY: Argentina

### Political and Economic Disorder

Mexico and Brazil were not the only Latin American countries where democracy had made progress. By the late 1990s, most of Latin America was under democratic rule.

**Perón Rules Argentina** Argentina had struggled to establish democracy. It was a major exporter of grain and beef. It was also an industrial nation with a large working class. In 1946, Argentine workers supported an army officer, Juan Perón, who won the presidency and then established a dictatorship.

### Vocabulary

**welfare state:** a government that tries to provide for all its citizens' needs—including health, education, and employment

Perón did not rule alone. He received critical support from his wife, Eva—known as Evita to the millions of Argentines who idolized her. Together, the Peróns created a welfare state. The state offered social programs with broad popular appeal but limited freedoms. After Eva's death in 1952, Perón's popularity declined and his enemies—the military and the Catholic Church—moved against him. In 1955, the military ousted Perón and drove him into exile.

**Repression in Argentina** For many years, the military essentially controlled Argentine politics. Perón returned to power once more, in 1973, but ruled for only a year before dying in office. By the mid-1970s, Argentina was in chaos.

In 1976, the generals seized power again. They established a brutal dictatorship and hunted down political opponents. For several years, torture and murder were everyday events. By the early 1980s, several thousand Argentines had simply disappeared, kidnapped by their own government.

**Democracy and the Economy** In 1982, the military government went to war with Britain over the nearby Falkland Islands and suffered a defeat. Disgraced, the generals agreed to step down. In 1983, Argentines elected Raúl Alfonsín (ahl•fohn•SEEN) president in the country's first free election in 37 years. **E**

During the 1980s, Alfonsín worked to rebuild democracy and the economy. Carlos Menem gained the presidency in 1989 and continued the process. He attempted to stabilize the currency and privatize industry. By the late 1990s, however, economic problems intensified as the country lived beyond its means.

**A Growing Crisis** In December 2001, the International Monetary Fund (IMF) refused to provide financial aid to Argentina. Then President Fernando de la Rúa resigned in the face of protests over the economy. He was succeeded by Eduardo Duhalde, who tried to deal with the economic and social crisis. In 2002, Argentina had an unemployment rate of about 24 percent. The country defaulted on \$132 billion in debt, the largest debt default in history, and devalued its currency. In 2003, Argentina struggled to regain its political and economic footing. In elections that year, Nestor Kirchner became the new president of Argentina.



▲ Eva Perón

### MAIN IDEA

#### Analyzing Causes

**E** What finally caused military rule to end in Argentina?

## SECTION

# 1

## ASSESSMENT

**TERMS & NAMES** 1. For each term or name, write a sentence explaining its significance.

- Brasília
- land reform
- standard of living
- recession
- PRI

### USING YOUR NOTES

2. Which country do you think has made the most progress? Explain.

Nation	Steps toward democracy
Brazil	
Mexico	
Argentina	

### MAIN IDEAS

3. What role did the military play in shaping the economy of Brazil?
4. What were some of the positive benefits of one-party rule in Mexico?
5. What effect did the Falklands war have on the military government in Argentina?

### CRITICAL THINKING & WRITING

6. **COMPARING AND CONTRASTING** Compare and contrast the roles of the military in the governments of Brazil, Mexico, and Argentina.
7. **SYNTHESIZING** What have been some of the obstacles to democracy in Latin America?
8. **DEVELOPING HISTORICAL PERSPECTIVE** What are some of the attributes of democracy?
9. **WRITING ACTIVITY** **ECONOMICS** What might be the effect of a welfare state (such as that created in Argentina by the Peróns) on a nation's economy? Support your opinions in a two-paragraph **essay**.

### CONNECT TO TODAY MAKING A GRAPH

Research the economies of Mexico, Brazil, and Argentina to determine which is doing the best. Present your findings in a **graph**.